MISSOURI-KANSAS-TEXAS RAILROAD COMPANY

LAW DEPARTMENT 701 COMMERCE STREET DALLAS, TEXAS 75202

ARTHUR M. ALBIN General Counsel

214-651-6740

In reply refer to:

410.043-110

March 6, 1986

Mr. James Bayne

Secretary

Interstate Commerce Commission 12th and Constitution Ave., NOWHMEROE COMMISSION

Washington, D.C. 20423

MARI 0 1986 -10 10 AM MAR 1 1 1986

Re: Locomotive Lease Agreement dated as of February 15, 1986, between C.I.T. Leasing Corporation and Missouri-Kansas- Texas Railroad Company, covering 22 Locomotives

Dear Mr. Bayne:

I have enclosed an original and two (2) counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Locomotive Lease Agreement, a primary document, dated as of the 15th day of February, 1986.

The names and addresses of the parties to the document are as follows:

Lessor:

C.I.T. Leasing Corporation

135 West 50th Street New York, NY 10020

Attention: Stephen O'Neill

Lessee:

Missouri-Kansas-Texas Railroad Company

701 Commerce Street Dallas, TX 75202

Attention: Mr. Karl R. Ziebarth

MAR 1 0 1985

INTERSTATE COMMERCE COMMISSION

A description of the equipment covered by the document follows:

Twenty-Two (22) General Motors (Electro-Motive Division) GP38, 2000 H.P. Diesel Electric Locomotives bearing Lessee's Unit Nos. 322-343, both inclusive.

A cashier's check in the amount of \$10.00 is enclosed for the filing fee. Please return all counterparts not needed by the Commission for recordation, stamped to show recordation, to the undersigned for distribution to the parties.

MISSOURI-KANSAS-TEXAS RAILROAD COMPANY

Mr. James Bayne

- 2 -

March 6, 1986

A short summary of the document to appear in the Index follows:

Locomotive Lease Agreement between C.I.T. Leasing Corporation and Missouri-Kansas-Texas Railroad Company dated as of February 15, 1986, covering twenty-two (22) General Motors Electro-Motive Division GP38, 2000 H.P. Diesel Electric Locomotives bearing MKT unit Nos. 322-343, both inclusive.

I certify that I have knowledge of the foregoing.

Yours very truly,

Arthur M. Albin, General Counsel

AMA:vas

cc: Mr. William M. Peterson
Helm Financial Corporation

Mr. Ira Finkelson CIT Corporation

MAR 1 0 1986 -10 20 AM

LOCOMOTIVE LEASÉ AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS LEASE made and entered into as of February 15, 1986, by and between C.I.T. Leasing Corporation, a Delaware corporation, as agent for C.I.T. Corporation, a New York corporation, hereinafter called the "Lessor", and Missouri-Kansas-Texas Railroad Company, a Texas corporation, hereinafter called the "Lessee".

LESSOR AND LESSEE HEREBY AGREE AS FOLLOWS:

- l. Lease: Lessee agrees to lease from Lessor the locomotives described in the Equipment Schedules attached hereto, together with all replacement parts, additions, repairs and accessories incorporated therein and/or affixed thereto (the "Locomotives") upon the terms and conditions herein set forth. This Lease shall be binding only on Locomotives described in an Equipment Schedule duly signed by both Lessor and Lessee. All Locomotives presently bear either Illinois Central Gulf or Conrail reporting marks. The Lessee may stencil its name on the units, and may remove all other existing names and numbers other than that of Lessor.
- 2. Rent: Term: Lessee agrees to pay Lessor the following lease charges (hereafter "Rent") for the use of the Locomotives:
 - (a) Equipment Schedule 1

Tern

Rent

Rent Commencement Date through

\$1,794.58 per Locomotive per month.

Rent Termination Date

(b) Equipment Schedule 2

Term

Rent

February 1, 1986 (Rent Commencement Date through

\$1,612.08 per Locomotive per month.

Rent Termination Date

The Rent Commencement Date for the nineteen (19) Locomotives identified in Equipment Schedule 1 ("Schedule 1 Locomotives") will be calculated as follows: After the day that the first Locomotive is placed in service ("First In-Service"), there shall be calculated the number of days after the First In-Service date that each of the other eighteen (18) Schedule 1 Locomotives is placed in service. The In-Service Date for each Schedule 1 Locomotive shall be the date that Lessee accepts such Locomotive

at St. Louis, Missouri. Each such number of days shall be added together to make a total, which total shall be divided by 19. Such quotient, rounded to the nearest whole day, shall be added to the First In-Service Date, and the resulting date is the Rent Commencement Date.

With respect to the Schedule 1 Locomotives, Lessee agrees it will inspect the Locomotives prior to shipment and accept and take delivery thereof at the MKT interchange in St. Louis, Missouri. Lessee agrees to accept delivery of the Locomotives, and lease said Locomotives from Lessor hereunder, upon completion of the repairs set forth in Exhibit A, but reserves the right to reject any Locomotives not properly repaired. If said repairs are not completed prior to September 30, 1986, Lessee, at its option, may exclude from this Lease any such Schedule 1 Locomotives as to which the Exhibit A repairs have not been made, and the number 19 in the proceeding paragraph shall be reduced by number of Locomotives not delivered and accepted by such date. All costs and expenses in any way related to the use, maintenance and operation of the Locomotives are for the account of Lessee, with the exception of the repair items set forth in Exhibit A.

Lessee acknowledges that it is currently in possession of the three (3) Locomotives described in Equipment Schedule 2 ("Schedule 2 Locomotives"); that execution of this Lease by Lessee will constitute Lessee's acceptance of the Schedule 2 Locomotives in accordance with the terms and conditions of this Lease; and that the Rent Commencement Date for the Schedule 2 Locomotives shall be February 1, 1986.

The term of this Lease shall be one hundred twenty (120) months, commencing with the Rent Commencement Date for the Schedule 1 Locomotives and Schedule 2 Locomotives, respectively. The Rent Termination Date shall be that date which is one hundred twenty (120) months after the Rent Commencement Date for the Schedule 1 Locomotives and Schedule 2 Locomotives, respectively. Rent shall be payable on the last day of each month in arrears.

Lessee shall not be entitled to any abatement of rent, reduction thereof or set-off, counterclaim, recoupment or defense against rent or any other amount payable hereunder for any reason whatsoever, including, but not limited to, abatements, reductions, set-offs, counterclaims, recoupments or defenses due or alleged to be due by reason of any past, present or future claims of Lessee against Lessor or any other person for any reason whatsoever, except as otherwise provided herein; nor shall this Agreement terminate or the obligations of Lessee be otherwise affected by reason of any defect in the condition, design, operation or fitness for use of any Locomotive or damage to or loss of possession or use or destruction of all or any of such Locomotives from whatever cause and of whatever duration, except as otherwise provided herein. Lessee will assert all claims, defenses, set-offs

and counterclaims it may have of any nature against the Locomotive manufacturer, including but not limited to defects in the Locomotives and like claims, directly with the Locomotive manufacturer and not set up any such claim, defense, set-off or countercliam against Lessor or its assigns. Lessee acknowledges that: Lessor is in no way connected to the Locomotive manufacturer; Lessor has no knowledge or information as to the condition or suitability for Lessee's purpose of the Locomotives; and Lessor's decision to enter into this Lease is made in reliance on Lessee's undertakings herein, including Lessee's express agreement not to assert against Lessor any claims, defenses, set-offs or countercliams it may now or hereafter have against the Locomotive manufacturer. Provided, however, nothing contained in this paragraph shall relieve Lessor of its obligations to make or cause to be made the repairs as set forth above and in Exhibit A.

- Warranties and Representations: LESSOR MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND RESPECTING THE LOCOMO-TIVES, WHETHER STATUTORY, WRITTEN, ORAL OR IMPLIED, AND LESSOR HAS NOT MADE AND DOES NOT HEREBY MAKE, NOR SHALL IT BE DEEMED BY VIRTUE OF HAVING LEASED THE LOCOMOTIVES, PURSUANT TO THIS AGREE-MENT TO HAVE MADE ANY REPRESENTATION OR WARRANTY AS TO THE MER-CHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN OR CONDI-TION OF, OR AS TO THE QUALITY OF THE WORKMANSHIP IN, OR ANY REPAIRS MADE (EXCEPT AS PROVIDED/FOR IN EXHIBIT A) ON OR TO, THE LOCOMOTIVES, ALL OF WHICH ARE EXPRESSLY DISCLAIMED AND LESSOR SHALL NOT BE LIABLE, IN CONTRACT, TORT OR OTHERWISE, ON ACCOUNT OF ANY DEFECT, WHETHER HIDDEN, LATENT OR OTHERWISE DISCOVERABLE OR NONDISCOVERABLE RESPECTING ANY LOCOMOTIVES. Lessee accordingly agrees not to assert any claim whatsoever against Lessor based Lessee further agrees, regardless of cause, not to thereon. assert any claim whatsoever against Lessor for loss of anticipatory profits or consequential damages. Lessor shall use its best efforts to require the company which performs the aforesaid repairs to the Locomotives to furnish Lessor and Lessee with a ninty day warranty covering parts and workmanship and Lessee shall be authorized to deal directly with such company concerning In addition, Lessee shall assert all claims any warranty claims. arising from a breach of warranty, negligence or any other type or kind of cause of action it may have arising in connection with or as a result of such repairs directly against the repairingcompany and/or its suppliers and not against Lessor.
- 4. <u>Place of Payment of Rent</u>: Lessee shall direct payment of the monthly rent and notices pursuant to Section 11(b) to the following address:

C.I.T. Leasing Corporation 135 West 50th Street New York, New York 10020 Attention: Stephen O'Neill

by the express warkanties in Sections 7 and 8 of

- 5. Recordkeeping: Inspection: Lessee agrees to maintain and make available to Lessor such record of Lessee's use, operation, inspection, repairs and maintenance of each Locomotive while in its possession as shall be reasonably required by Lessor. Lessor, by such agent or agents as it may designate, shall have the right at all reasonable times to go upon the property of Lessee to inspect any Locomotive while in the possession of Lessee, provided that any such agent shall first execute Lessee's standard release form attached hereto as Exhibit D.
- 6. Loss or Destruction: Lessee agrees it will be solely responsible for any loss, damage or destruction of any Locomotive leased to it by Lessor after placing in service and while subject to this Lease. In case any of the Locomotives during the Lease term become lost, destroyed or damaged beyond repair from any cause whatsoever, rental with respect to any such Locomotive shall cease immediately, but in such case Lessee agrees to pay Lessor the casualty value as set forth in Exhibit B and C within thirty (30) days of the event.
- Insurance: Lessee is self-insured against loss, theft, and destruction or damage of the Locomotives. Lessee shall provide comprehensive public liability insurance against claims for personal injuries, death and property damage against risk customarily insured against by Lessee in respect of similar equipment owned or leased by it, providing limits of at least \$5 million per occurrence, subject to a deductible of \$2,000,000 per occurrence or such other greater deductibles as are customary in the industry. Lessee shall pay appliable premiums for such insurance. All insurance policies required hereunder shall (i) be issued by insurance carriers of recognized responsibility, (ii) name Lessor as additional insured thereunder, and (iii) provide that the insurance broker give at least 30 days prior notice in the event of cancellation or material alteration in coverage, and shall include coverage against liability which Lessor might incur by reason of the operation of the Locomotives. Lessee shall furnish Lessor with certificates or other evidence of compliance with this section as may reasonably be requested.
- 8. Indemnity: Lessee agrees that Lessor shall not be liable to Lessee for, and Lessee shall indemnify and save Lessor harmless from and against any and all liability, loss, damage, expense, causes of action, suits, claims or judgments arising from or caused directly or indirectly by: (a) Lessee's failure to promptly perform any of its obligations under the provisions of Section 2, 6, 7 and 19 of this Lease, or (b) injury to person or property resulting from or based upon the actual or alleged use, operation, delivery or transportation of any or all of the Locomotives or its location or condition, or (c) inadequancy of the Locomotives, or any part thereof, for any purpose or any deficiency or defect therein or the use or maintenance thereof or

any repairs, servicing or adjustments thereto or any delay in providing or failure to provide any thereof or any interruption or loss of service or use thereof or any loss of business; and shall, at its own cost and expense, defend any and all suits which may be brought against Lessor, either alone or in conjunction with others upon any such liability or claim or claims and shall satisfy, pay and discharge any and all judgments and fines that may be recovered against Lessor in any such action or actions, provided, however, that Lessor shall give Lessee written notice of any such claim or demand. This indemnity shall survive the expiration or termination of this lease.

- 9. <u>Purchase Option</u>: At the expiration of the term of this Lease, so long as Lessee is not in default, Lessee may purchase all, but not less than all of the Locomotives for \$1.00 per Locomotive. At the request of Lessee, Lessor shall, when all payments have been received, execute and deliver a bill of sale for said Locomotives, without recourse and without warranties, except that Lessor shall warrant good title thereto in favor of Lessee.
- Assignment: Lessee shall not assign or sublet its interest, or any part thereof, under this Lease, or permit the use or operation of any Locomotive subject to this Lease by any other person, firm or corporation, other than wholly-owned subsidiaries, without the prior written consent of Lessor. Lessor expressly consents to incidental operation and use on railroads other than Lessee's under standard run-through and power pooling arrangements. Lessor further consents to any sublease, assignment or use of said Locomotives between Lessee and the Oklahoma, Kansas and Texas Railroad Company, so long as Lessee shall own or control said company. Lessor may at any time assign all or any portion of the rents due or to become due, and/or the leased property without notice to Lessee and in such event Lessor's transferee as assignee shall have all the rights, powers, privileges and remedies of the Lessor hereunder. Lessee shall have no obligation to pay any assignee, and shall continue to pay Lessor, until such time as written notice is given to assignee of such assignment in accordance with Section 11.
- 11. <u>Notice</u>: Unless otherwise specifically provided, any notices to be given under this Lease or any other communications between the parties shall be given by certified mail, postage prepaid, in the following manner:
 - (a) Notices from Lessor to Lessee shall be sent to:

Missouri-Kansas-Texas Railroad Company 701 Commerce Street Dallas, Texas 75202 Attention: Karl R. Ziebarth

or to such other address as Lessee may from time to time indicate by written notice to Lessor.

(b) Notices from Lessee to Lessor shall be sent to:

C.I.T. Leasing Corporation 135 West 50th Street New York, New York 10020 Attention: Stephen O'Neill

or to such other address as Lessor may from time to time indicate by written notice to Lessee.

12. Compliance with Law: Repair and Maintenance: Lessee shall comply with FRA and all other applicable governmental laws, regulations and requirements and other binding regulations with respect to use, maintenance and operation of the Locomotives during the Lease period.

The Lessee shall use the Locomotives only in the manner for which designed and intended and so as to subject them only to ordinary wear and tear. Lessee shall, at its own cost and expense, maintain and keep the Locomotives in good order, condition and repair, ordinary wear and tear excepted. Any parts installed or replacements made by Lessee upon the Locomotives shall be considered accessions to the Locomotives and title thereto shall be immediately vested in Lessor, without cost or expense to Lessor.

- 13. <u>Ouiet Enjoyment</u>: So long as Lessee makes its aforesaid rental payments and otherwise complies with the terms and provisions hereof, Lessee shall be entitled to the use and possession of the Locomotives according to the terms hereof without interference by the Lessor or by any party lawfully claiming by or through the Lessor.
- 14. Authority: The undersigned signatories herewith represent and warrant that they are fully authorized to execute this Lease and bind the respective parties to the terms and provisions hereof. Lessor will pay all commissions and fees to Helm Financial Corporation, who has been retained in connection with this transaction, and will hold Lessee harmless for any such fees or commissions.
- 15. <u>Late Charges</u>: Delinquent installments of rent shall bear interest at the rate of 1-1/2% per month if not prohibited by law, otherwise at the highest lawful contract rate.
- 16. ICC Recording: Lessee will promptly cause this Lease to be duly filed, registered or recorded in conformity with Section 11303 of the Interstate Commerce Act or other places within or without the United States as Lessor may reasonably request for the protection of its title and will furnish Lessor proof

thereof. Lessee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record (and will refile, re-register, or re-record whenever required) any and all further instruments required by law or reasonably requested by Lessor, for the purpose of protecting Lessor's title to the Locomotives to the satisfaction of Lessor's counsel or for the purpose of carrying out the intention of this Lease, and in connection with any such action, will deliver to Lessor proof of such filing.

- 17. Taxes: Lessee, or Lessor at Lessee's expense, shall report, pay and discharge when due all license and registration fees, assessments, sales, but only as it relates to a sale to Lessee, use and property taxes, gross receipts taxes arising out of receipts from use or operation of Locomotives including without limitation amounts payable under Sections 2, 6 and 12, hereof and other taxes (excluding any tax measured by Lessor's net income), together with any penalties or interest thereon, imposed by any state, federal or local government upon the Locomotives and whether or not the same shall be assessed against or in the name of Lessor or Lessee.
- <u>Default</u>: If the Lessee after ten (10) business days 18. notice shall fail to carry out and perform any of the obligations on its part to be performed under this Agreement, or if a petition, in bankruptcy, for reorganization, for a Trustee, or for a Receiver, shall be filed by or against the Lessee, then, and in any of said events, Lessor shall have all rights available to it at law or in equity, including without limitation the right immediately to repossess the Locomotives, to remove the Locomotives form Lessee's service, to terminate this Agreement, and recover any and all damages sustained as a result of Lessee's default. If Lessor shall terminate this Agreement pursuant to this Section, Lessee shall remain liable for all unpaid rent and other amounts due hereunder. The rights and remedies herein given to Lessor shall in no way limit its other rights and remedies given or provided by law or in equity.

Should any proceedings be instituted by Lessor for monies due to Lessor hereunder and/or for possession of any or all of the Locomotives or for any other relief, Lessee shall pay Lessor a reasonable sum as attorney's fees. In addition to any remedies provided herein, Lessor shall have all the rights provided to a Lessor under Section 1168 of Title 11 of the United States Code and any successor provision thereto.

delivery point shall be borne by Lessor. If any part hereof is contrary to, prohibited by or deemed invalid under applicable laws or regulations of any jurisdiction, such provision shall be inapplicable and deemed omitted but shall not invalidate the remaining provisions hereof. Lessee admits the receipt of a true copy of this Locomotive Lease Agreement.

- 20. Performance Obligations of Lessee by Lessor: In the event that the Lessee shall fail duly and promptly to perform any of its obligations under the provisions of this lease, the Lessor may, at its option, perform the same for the account of Lessee without thereby waiving such default, and any amount paid or expense (including reasonable attorneys' fees), penalty or other liability incurred by the Lessor in such performance, together with interest at the rate of 1-1/2% per month thereon until paid by the Lessee to the Lessor, shall be payable by the Lessee upon demand as additional rent hereunder.
- 21. <u>Further Assurance</u>: Lessee shall execute and deliver to Lessor, upon Lessor's request such instruments and assurances as Lessor deems reasonably necessary or advisable for the confirmation or perfection of this Lease and Lessor's right hereunder.
- Lessee Covenants: Lessee will: (a) defend at Lessee's own cost any action, proceeding or claim affecting the Locomotives; (b) do everything necessary or expedient to preserve or perfect the Lessor's interest in the Locomotives; (c) not misuse, fail to keep in good repair (ordinary wear and tear excepted), secrete, or without the prior written consent of Lessor, and not withstanding Lessor's claim to proceeds, sell, rent, lend, encumber or transfer any of the Locomotives except as provided in Subsection (e) of this Section; (d) agree that Lessor may enter upon Lessee's premises or wherever the Locomotives may be located at any reasonable time and upon reasonable notice to inspect the Locomotives; (e) notwithstanding any provisions to the contrary Lessee may, without the consent of Lessor, lease or permit the use of the Locomotives or Locomotive (such lease or use to be subject to the rights and remedies of the Lessor hereunder) to or by a lessee or user incorporated in the United States of America (or any state thereof or the District of Columbia), upon lines of railroad owned or operated by the Lessee or such lessee or user or by a railroad company or companies have trackage rights or railroad of connecting and other carriers in the usual interchange of traffic or in through or non-through service, but only upon and subject to all the terms and conditions hereof; provided, however, that the Lessor's consent, not be unreasonably withheld, must be obtained for any lease that is for a term longer than six months; provided, further, however, that the Lessee shall not lease or permit the sublease or use of any locomotive for service involving operation or maintenance outside the United States of America except that occasional service in Canada shall be permitted so long as such service in Canada is de minimis and does not involve regular operation and maintenance outside the United States.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement this 1st day of February, 1986.

| ATTEST: Les She. | C.I.T. LEASING CORPORATION, as Agent for C.I.T. Corporation, LESSOR By: |
|------------------|---|
| | Title: Executive Vice fresident |
| | Date: March 3, 1986 |
| | |
| | MISSOURI-KANSAS-TEXAS RAULROAD COMPANY, LESSEE |
| ATTEST: | By: Executive/Vice President-Financial |
| | Title:FEB 2 4 1996 |
| SECRETARY | Date: |

EQUIPMENT SCHEDULE 1

Locomotive Description: General Motors (Electro Motive division) GP38, 2000 H.P. Diesel Electric Locomotives.

The locomotive numbers are as follows:

| Illino | is Centr | al Gulf | Unit #s | Missour | i-Kansa | s-Texas | Unit #s |
|--------|----------|---------|---------|---------|---------|---------|-------------|
| 9500 | 9505 | 9511 | 9516 | 325 | 330 | 335 | 340 |
| 9501 | 9506 | 9512 | 9517 | 326 | 331 | 336 | 341 |
| 9502 | 9507 | 9513 | 9518 | 327 | 332 | 337 | 342 |
| 9503 | 9508 | 9514 | 9519 | 328 | 333 | 338 | 34 3 |
| 9504 | 9509 | 9515 | | 329 | 334 | 339 | |

| Ву: _ | Torthe dul |
|--------------|--|
| Title: | Executive Vice President-Financial |
| Date: | FEB 2 4 1986 |
| Agen LESS | LEASING CORPORATION, as at for C.I.T. Corporation, |
| Ву: _ | 7 |
| Title: | Executive Vice President |
| Date: | March 3 1986 |

MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, LESSEE

EQUIPMENT SCHEDULE 2

Locomotive Description: General Motors (Electro Motive division) GP38, 2000 H.P. Diesel Electric Locomotives.

The locomotive numbers are as follows:

| Conrail Unit Numbers | Missouri-Kansas-Texas Unit Numbers |
|----------------------|------------------------------------|
| 779 5 | 322 |
| 7801 | 323 |
| 78 13 | 324 |

| MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, LESSEE |
|---|
| By: Executive Vice President-Financial Title: FEB 2 4 1986 |
| C.I.T. LEASING CORPORATION, as Agent for C.I.T. Corporation, LESSOR |
| By: |
| Title: Executive Vice fresident |
| Date: March 3, 1986 |

EXHIBIT A

1. <u>Carbodys</u>:

Doors and hinges will be operable and the locomotive with heavy rust (potentially fire damage) will have the doors sandblasted, primed and painted or used serviceable doors will be installed.

2. <u>Dynamic Brakes</u>: All dynamic braking will be connected, tested and known to be in serviceable condition.

All locomotives will have a 645 engine. All locomotives will be load tested prior to delivery.

Detail inspection of the engines will occur prior to load test.

If rust is evident, the deficient parts will be replaced.

4. Water Cooler: Current water cooler will be taken off and replaced with a steel stand capable of holding a 5 gallon water cooler with drain.

5. <u>Cab Doors</u>: Hinges need to be serviceable and weatherstripping in tact.

6. Arm Rests/Seats: Locomotives must be equipped on both sides with arm rests (either on the seat or window). All locomotives will be equipped with three seats.

7. Main Alternator: Unit #9500 will be cleaned. A 30 day warranty on this alternator will apply.

8. Traction Motors:

Traction motors that require replacement on the first road trip on the MKT shall be the responsibility of the owner.

- 9. All the locomotives delivered to Lessee pursuant to the attached agreement shall comply with the following:
 - 1. The locomotives will be complete with no parts missing or broken to an extent as to make them non-serviceable.
 - All locomotives will meet current Federal standards.
 - 3. All locomotives will be in serviceable condition.
 - 4. All documents concerning FRA requirements will be forwarded to MKT.

RZ

EXHIBIT B

Casualty Schedule for Equipment Schedule 1

| Mo. # | Value | Mo. # | Value | <u>Mo. #</u> | <u>Value</u> |
|------------|----------------------|----------------|----------------------|---------------------|------------------|
| 7 | 125000.00 | 21 | 113035.10 | 41 | 98435,63 |
| 2 | 124454:41 | 22 | 112372.06 | 42 | 97626:60 |
| 3 | 123907.79 | 23 | 111702.39 | 43 | 94809:48 |
| ė, | 123353.48 | 24 | 111026.02 | 44 | 95984:19 |
| Ė, | 122793:42 | 25 | 110342.89 | 45 | 95150.64 |
| | 122228.17 | 26 | 109652.93 | 44 | 94308.74 |
| 7 | 121457.06 | 27 | 108954.07 | 47 | 93458:44 |
| 9 | 121080:24 | 28 | 108252.24 | 48 | 92599.66 |
| ç | 120497.45 | 26 | 107541.37 | ΑĢ | 91732.27 |
| 10 | 119909:24 | 30 | 106823.39 | 50 | 90854:20 |
| 13 | 119314.94 | 31 | 104098.23 | 5 , <u>1</u> | 99971:37 |
| 12 | 118714:70 | 32 | 105365.82 | 52 | 89077.70 |
| 13 | 118108:46 | 73 | 104424.09 | 57 | 88175.09 |
| 14 | 117494.15 | 34 | 103878.94 | 50 | 87263:45 |
| 15 | 114977:72 | 35 | 103124.36 | E, E | 86342,70 |
| 14 | 114253:11 | 34 | 102342.21 | 54 | 85412:74 |
| 17 | 115622:25 | 3 -? | 101592.44 | 57 | 84473,48 |
| 18 | 114985.08 | 38 | 100814.98 | 58 | 83524:83 |
| 10 | 114341.54 | <u>3</u> 6 | 100029.74 | 50 | 82566.69 |
| 20 | 113691:57 | φņ | 99234.45 | 30 | 915 98,97 |
| Mo. # | Value | Mo. # | Value | Mo. # | Value |
| <u>61</u> | B0421.57 | <u> 81</u> | 58885,03 | 101 | 32342.33 |
| 62 | 79634.40 | 82 | 57480.49 | 102 | 30892.57 |
| Eà | 78437:34 | 83 | 56463,91 | 103 | 29408.11 |
| 64 | 77430:35 | ΩA | 55235.14 | 104 | 27908.80 |
| 28 | 76613:27 | 8 5 | 53994.12 | 105 | 26394.50 |
| ₹ ₹ | 75584:01 | Βŧ | 52740:67 | 104 | 24865:06 |
| 47 | 74548:48 | 27 | 51474;69 | 107 | 23320:32 |
| ₹Ē | 73500.59 | B B | 50194:05 | īύδ | 21740:14 |
| <u> 49</u> | 72442:20 | 80 | 48904,62 | 109 | 20194:35 |
| <u>70</u> | 71373:23 | 90 | 47400:28 | 110 | 18592:81 |
| 71 | 70293:57 | 91 | 46282:90 | 111 | 14985:35 |
| 72 | 69203:12 | 92 | 44952.34 | 112 | 15361:82 |
| 73 | 68101:76 | 6.1 | 43608:48 | 113 | 13722:05 |
| . 74 | 95:98933 | 94 | 42251:19 | 114 | 12045:88 |
| 75 | 45845.90 | 95 | <u> 40880:30</u> | 115 | 10393:15 |
| 7.6 | 64731:17 | 9.4 | 39495.72 | 114 | 8703 ;70 |
| 77 | 63585:09 | 97 | 38097.29 | 117 | 4997:35 |
| 79 | A2427.55 | 0.0 | 34484,88 | 118 | 5273.94 |
| | 02427:27 | ÒË | | 442 | 22.23.32 |
| 70 | 61258:44 60077:64 | 6 6 | 35258.34 33817.54 | 119 | 3533.29 |



EXHIBIT C

Casualty Schedule for Equipment Schedule 2

| Mo. # | <u>Value</u> | Mo. # | Value | Mo. # | Value |
|-----------|----------------------------------|------------------------|----------------------------------|-------------------|--------------------|
| 1 | 112360.00 | 21 | 101605.04 | 41 | 88481:94 |
| 2 | 111871.54 | 23 | 101009:05 | 42 | 97754:74 |
| 3 | 111378.24 | 23 | 100407:10 | 47 | 87020:25 |
| Ą | 110879.99 | 24 | 99799,17 | 44 | 84278:41 |
| <u></u> | 110376,74 | 25 | 99185.08 | 45 | 85529:15 |
| £ | 109848.47 | 24 | 98544,89 | 44 | 84772.40 |
| 7 | 109755.11 | 27 | 97938,50 | 4.7 | 84008:05 |
| 8 | 108836.62 | 28 | 97305:85 | 48 | 93236:12 |
| Ç | 108312.95 | 29 | 96666,87 | A O | 82454:44 |
| 10 | 107784.04 | 30 | 96021,50 | 50 | 91449.94 |
| 11 | 107249.84 | 31 | 95349.48 | 51 | 80973:61 |
| 12 | 104710.30 | 32 | 94711:34 | 52 | 80070.31 |
| 13 | 104145.34 | 33 | 94046,41 | 57 | 79259:97 |
| 14 | 105414.97 | 74 | 93374,83 | E. V | 78439:52 |
| 15 | 105059,08 | 35 | 92696,54 | ĘĘ | 77611.89 |
| 14 | 104497.63 | 34 | 92011.47 | 56 | 76775.94 |
| 17 | 103930.57 | 37 | 91319.54 | 57 | 75931:48 |
| 18 | 103357.84 | 38 | 90620.70 | 58 | 75078:96 |
| 19 | 102779.36 | 36 | 89914.87 | 59 | 74217.71 |
| 20 | 102195.13 | 40 | 89201.98 | 50 | 73347.85 |
| | 100 to other up? - 000 t 400 ty. | | * 500 | • . | ******* |
| Mo. # | Value | Mo. # | Value_ | Mo. # | Value |
| 41 | 72449.29 | 91 | 52930.81 | 101 | 29090.13 |
| 42 | 71581.94 | 82 | 51848:08 | 102 | 27768:99 |
| 53 | 70485:72 | 83 | 50754:52 | 103 | 26434.64 |
| <u> 4</u> | 89780:54 | 84 | 49650:03 | 104 | 25084:95 |
| 45 | 68844:31 | 25 | 48534.49 | 105 | 23725:78 |
| 77 | 67942:93 | 84 | 47407.79 | 104 | 22351:00 |
| 47 | 67010:32 | 27 | 46269.83 | 107 | 20962:47 |
| ₹B | <u>66068;38</u> | 65 | 45120.49 | 108 | 19540.05 |
| Ϋ́O | <u>45117:02</u> | ₽9 | 43959.45 | 100 | 18143.61 |
| 70 | 64156:15 | 60 | 42787.21 | 110 | 16713:01 |
| 71 | <u>63185:67</u> | Ġ į | 41603.04 | 111 | 15248:10 |
| 72 | 62205 49 | 92 | 40407.03 | 112 | 13808.74 |
| 73 | 61215,51 | ОŢ. | 39199.04 | 113 | 12334:79 |
| 74 | 60215:63 | 94 | 37979.01 | 114 | 10846:10 |
| 75 | | | 36746.76 | 4.4 *** | D740 E0 |
| 7.6 | 59205:75 | 95 | | 115 | 9342.52 |
| | 59205:75 58185:77 | 9.5 | 35502:19 | 115 | 7342:02 7823:91 |
| 77 | 58185:77 57155:59 | 9 <u>6</u> 97 | 35502:19 34245:17 | 114 117 | |
| | 58185:77 | 9 <u>6</u> 97 98 | 35502:19 34245:17 32975:58 | 114 117 118 | 7823:91 |
| 77 | 58185:77 57155:59 | 9 <u>6</u> 97 | 35502:19 34245:17 | 114 117 | 7823:91 6290:11 |

RELEASE

In consideration of the MISSOURI-KANSAS-TEXAS RAILROAD COMPANY (here-inafter called "Railroad") permitting the undersigned (hereinafter called "Permittee") to go on or about Railroad's premises and/or locomotive or caboose, as provided for below, Permittee does hereby covenant and agree with Railroad as follows, to-wit:

- 1. That Permittee shall go upon Railroad's premises and/or equipment as follows:
- 2. That Permittee shall be allowed to enter upon or be upon Railroad's premises and/or equipment as provided for above for the purpose of:

inspection of locomotives leased to Railroad by C.I.T. Leasing Corporation.

- 3. That Permittee shall conduct his business and go about the above described purpose only at such times and under such conditions as specified by Railroad's duly authorized personnel.
- 4. That Permittee fully realizes, recognizes, and understands that Permittee may be exposed to certain risks and/or dangers arising out of his presence on Railroad's premises and/or equipment as provided for above and realizes that injury or death or damage to his property may result from his presence on Railroad's premises and/or equipment, whether such risks, dangers, injuries, death, or damages be foreseen or unforeseen, but nevertheless Permittee does hereby assume all such risks of death or injury to his person and/or his property while on or about Railroad's premises and/or equipment. Permittee does hereby covenant and agree on behalf of himself, his heirs and legal representatives to release, indemnify, and hold Railroad, its officers, agents, servants, or employees harmless from any and all claims, liabilities and causes of action whatsoever arising from, attributable to, or in any manner growing out of the risks herein assumed or growing out of or arising from Permittee's presence on Railroad's premises and/or equipment, and whether or not such death or injury be contributed to in whole or in part by negligence of Railroad, its officers, agents, servants, or employees, or otherwise.

| 5. This permit herein grante execution hereof. | d is effective for | r days fo | ollowing |
|--|--------------------|-----------|----------|
| Executed this day of | | _, 197 | |
| | | | |
| | | • | |
| • | | Permittee | |
| | Address:(S | treet) | |
| APPROVED: | (City) | (State) | |
| MISSOURI-KANSAS-TEXAS RAILROAD COMPA | N Y | | |
| By | - | | |

Exhibit D

STATE OF New York) COUNTY OF New York)

I, Ira Finkelson, a Notary Public in and for the State and County aforesaid, do hereby certify that Nikita Idanow and Leo Sheer of C.I.T. Leasing Corporation a Delaware corporation, whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Executive Vice Pres. and Ast. Secy respectively, they signed, sealed and delivered the aforesaid instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority of its Board of Directors, as their free and voluntary act and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 3^{rd} of March, 19836.

Notary Public

IRA FINKTILSON Notary Public, State of New York No. 30 (207225 Qualified in Worldbester County Commission Expires March 30, 1996 STATE OF TEXAS)

COUNTY OF DALLAS)

I, Lolita M. McKnight , a Notary Public in and for the State and County aforesaid, do hereby certify that Karl R. Ziebarth and J. T. Bass MISSO OF KANSAS-TEXAS RAILROAD CO. Delaware corporation, whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Executive Vice President Secretary respectively, they signed, sealed and delivered the aforesaid instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority of its Board of Directors, as their free and voluntary act and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this __24th____ day of _February____, 198%.

Notary Public